

CITY OF BALTIMORE
RESOLUTION _____
Council Bill 16-0700

Introduced by: The Council President
At the request of: The Administration (Baltimore Development Corporation)
Introduced and read first time: July 18, 2016
Assigned to: Taxation, Finance and Economic Development Committee
Committee Report: Favorable with amendments
Council action: Adopted
Read second time: October 20, 2016

A RESOLUTION OF THE MAYOR AND CITY COUNCIL CONCERNING

1 Payment in Lieu of Taxes – Ward 07, Section 04, Block 1567, Lot 51A and
2 Ward 07, Section 03, Block 1586, Lot 2
3 “Eager Square”

4 FOR the purpose of authorizing an economic development project to be known as “Eager
5 Square”, in order that the Board of Estimates of Baltimore City (the “Board”) may enter into
6 a Payment in Lieu of Taxes Agreement with Eager Place, LLC, a Maryland limited liability
7 company, its successors or assigns (the “Developer”), for a project encompassing
8 approximately (i) 246 residential market rate apartments and townhomes; (ii) 3,485 square
9 feet of street retail; (iii) 152 on-site parking spaces; and (iv) related improvements/amenities;
10 providing for a special effective date; and generally relating to payments in lieu of taxes for
11 the Eager Square development.

12 BY authority of
13 Article – Tax-Property
14 Section 7-504.3(a)(2)
15 Annotated Code of Maryland
16 (As enacted by Chapter 573, Acts of 2013)

17 Recitals

18 The Eager Square Project (the “Project”) is proposed to include approximately (i)
19 246 residential market rate apartments and townhomes, which comprise a
20 multifamily residential facility that has a private capital investment of equity and
21 debt combined of at least \$5,000,000 in compliance with § 7-504.3(a)(2)(ii)(4) of
22 the Tax-Property Article of the Annotated Code of Maryland; (ii) 3,485 square
23 feet of street retail; (iii) 152 on-site parking spaces; and (iv) related
24 improvements/amenities to be constructed on parcels of land known as Ward 07,
25 Section 04, Block 1567, Lot 51A and Ward 07, Section 03, Block 1586, Lot 2,
26 generally bounding on the 1900 block of East Eager Street between North Wolfe
27 Street and North Washington Street in the East Baltimore Development Initiative
28 Master Plan Area.

EXPLANATION: Underlining indicates matter added by amendment.
~~Strike out~~ indicates matter stricken by amendment.

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1 Section 7-504.3 of the State Tax-Property Article, as enacted by Chapter 573 Acts
2 of 2013, authorizes the Board, subject to certain findings by the Board and to the
3 enactment of an authorizing Resolution of the Mayor and City Council, to
4 negotiate a payment in lieu of taxes (a “PILOT”) for Baltimore City real property
5 taxes for major economic development projects that meet certain criteria.

6 It is understood that the PILOT Agreement will require compliance with (i) the
7 Minority and Women’s Business Enterprises (MBE/WBE) Program in the
8 Project; (ii) Employ Baltimore, the revised Executive Order issued by the Mayor
9 of Baltimore, dated December 10, 2013; and (iii) the Local Hiring law, Ordinance
10 13-142, enacted June 25, 2013.

11 **SECTION 1. BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE,** That
12 subject to the conditions specified in this Resolution and upon the satisfaction of the
13 requirements of § 7-504.3 of the Tax- Property Article of the Annotated Code of Maryland, the
14 Project is authorized for purposes of allowing the Board to enter into a PILOT Agreement with
15 Eager Place, LLC, it successors or assigns, for the Project, in accordance with § 7-504.3(a)(2)(ii)
16 4 and 6 of the Tax-Property Article of the Annotated Code of Maryland.

17 **SECTION 2. AND BE IT FURTHER RESOLVED,** That this authorization is subject to the
18 condition that the Project not house or otherwise involve (i) gambling activities beyond that
19 allowed by law as of January 1, 1999, or (ii) activities related to any game not authorized by the
20 Maryland State Lottery.

21 **SECTION 3. AND BE IT FURTHER RESOLVED,** That this authorization is in the best interest of
22 the City and will achieve significant public benefits and purposes, including the encouragement
23 of the economic development of the City, including the use of resources and entrepreneurial
24 talents of the private sector to develop the East Baltimore Development Initiative; the creation of
25 job opportunities; and the general promotion and improvement of the City and its facilities in
26 order to foster and maintain the City and its image as a positive environment for the growth of
27 business and industry and the continuing well-being of its residents, thereby encouraging the
28 health, welfare, and safety of the citizens of the City.

29 **SECTION 4. AND BE IT FURTHER RESOLVED,** That this authorization is subject to the
30 following conditions:

31 (a) The PILOT Agreement for the Project shall be for a period of 15 years (the “PILOT
32 Term”) after the effective date specified in the PILOT Agreement.

33 (b) The negotiated payment in lieu of taxes for the Project shall be:

34 (1) for each year of the PILOT Term, the amount of the Baltimore City real
35 property taxes based on the existing assessments on the entire property
36 comprising the Project, or applicable component, as of July 1, 2016 (the “Base
37 Taxes”); plus

38 (2) for each year of the PILOT Term, a percentage of the Baltimore City real
39 property taxes that would otherwise have resulted from the increased
40 assessment and reassessment due to the construction of the Project or

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1 applicable components (the “Increased Taxes”), with the percentages to be as
2 follows:

3	Years 1 - 5	5% of the Increased Taxes
4	Year 6	15% of the Increased Taxes
5	Year 7	25% of the Increased Taxes
6	Year 8	35% of the Increased Taxes
7	Year 9	45% of the Increased Taxes
8	Year 10	55% of the Increased Taxes
9	Year 11	65% of the Increased Taxes
10	Year 12	75% of the Increased Taxes
11	Year 13	80% of the Increased Taxes
12	Year 14	85% of the Increased Taxes
13	Year 15	95% of the Increased Taxes

14 **SECTION 5. AND BE IT FURTHER RESOLVED,** That this Resolution takes effect when it is
15 enacted.

Certified as duly passed this _____ day of _____, 20__

President, Baltimore City Council

Certified as duly delivered to Her Honor, the Mayor,

this _____ day of _____, 20__

Chief Clerk

Approved this _____ day of _____, 20__

Mayor, Baltimore City